

Nicotine is lost from tobacco throughout all aspects of processing and manufacturing. This occurs during tobacco curing, steam and dryer operationss in primary processing, tobacco expansion and tobacco reconstitution. When the tobacco is under PM's control, these losses are regulated and reported in compliance with all required state and/or federal requisites. The wide range of tobacco products available to the consumer can be further modified with respect to tar and nicotine deliveries through ventilation and filtration. All of these facts have enabled PM to meet the demands of its consumers. With respect to nicotine in smoke, historical data trends clearly indicate that consumer preference for lower delivery nicotine products has steadily increased.

In summary, there is no data which support the enhancement (spiking) of tobacco products in any aspect of our processing and/or manufacturing. Our adherence to all state and/or federal compliance, reporting and performance standards stand out as an accurate portrayal of our behavior as responsible corporate citizens.

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Reconstitution

Tobacco reconstitution in the US includes patents as far back as the 19th century (e.g., US 7,001, Jan. 1850). A list of key patents include those in Appendix I. With respect to alkaloid/nicotine content in our reconstituted sheet products, PM data support the conclusion that the finished sheets have less alkaloid/nicotine than the initial starting materials (see Table 1). The reduction from starting materials to finished product range from 20 to 40%. The average content of reconstituted sheet in the finished cigarette is approximately 23%.

The use of reconstituted tobacco has contributed to the reduction of sales weighted nicotine delivery by over 35%(?) since 1968. Some tobacco components in cigarette blends naturally contain higher levels of nicotine than does reconstituted tobacco. Over time, some migration of nicotine occurs within the cigarette between the various tobacco types used but the total nicotine in the cigarette and smoke does not change.

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TABLE I
RECONSTITUTED TOBACCO

<u>YEAR</u>	<u>RLTC</u> <u>(% Alk./Nic)</u>	<u>RLB</u> <u>(% Alk./Nic.)</u>	<u>RCB</u> <u>(% Alk./Nic)</u>
1984	0.8	0.7	0.7
1985	0.7	0.7	0.75
1986 (1st. Qt.)	0.77	0.7	0.76
1991 (2nd Qt.)	0.88	0.80	0.92
1991 (3rd Qt.)	0.86	0.77	0.58
1991 (4th Qt.)	--	--	0.90

Reconstituted Leaf

<u>Component</u>	<u>Component</u> <u>% Alkaloid/.Nic.</u>	<u>% of RL Blend</u>	<u>Starting Material</u> <u>Alk./Nic.</u> <u>Contribution</u>
Bright Stem	0.86	40.5	0.35
Burley Stem	0.84	38.5	0.32
Scrap/Dust	2.3	21.0	0.48
			1.15

0.9% Alkaloids/Nicotine in sheet = 78% retained = 22% lost
1.15% Alkaloids/Nicotine in Feedstock

Blended Leaf

<u>Component</u>	<u>Component</u> <u>% Alkaloid/Nic.</u>	<u>% of BL Blend</u>	<u>Starting Material</u> <u>Alk./Nic.</u> <u>Contribution</u>
Bright Stem	0.86	0	0
Burley Stem	0.84	33.0	0.28
Factory Dust	2.0	67.0	1.34
			1.62

0.9% Alkaloids/Nicotine in sheet = 56% retained = 44% lost
1.62% Alkaloids/Nicotine in Feedstock

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